

**FY 2005 BUDGET TESTIMONY  
OFFICE OF THE GOVERNOR  
STEVEN L. KRESKI, CHIEF OF STAFF**

Senate Budget & Taxation Committee  
Senator Ulysses Currie, Chair  
February 19, 2004

Public Safety and Administration Sub-Committee  
House Appropriations Committee  
Delegate Joan Cadden, Chair  
February 25, 2004

Thank you for the opportunity to appear before your committee during today's hearing on the budget of the Office of the Governor. We believe that the FY2005 budget that is before you is a responsible one, addressing the staffing needs of the Governor while recognizing the resource constraints that the State faces.

Staffing, which accounts for 84% of our budget, is fairly static. We continue to "staff out" the office and make minor adjustments as we see the need, such as the merger of the Policy Office into the Legislative Office and the creation of a third Deputy Chief of Staff position to provide adequate programmatic oversight of agencies in the important areas of health and human services.

The Governor's Office of Homeland Security has been established as a sub-unit within the office, using one existing PIN, one grant-funded PIN and two detailed staff. This is a policy-oriented office, not an operational agency (Homeland Security Director Dennis Schrader is here today to brief the committee on the office and its role in the overall State Homeland Security program).

Upon taking office one year ago, we reduced the number of staff positions detailed from other State agencies from the prior Administration's level of 26 to 15. We have since held the line in this regard, despite the establishment of the Homeland Security Office, and have plans in place for further reductions, although some number of primarily rotating detailed staff positions will remain.

We would like to respond to the three recommended actions included in the DLS report:

**1. Add language to require a separate budget program for the Office of Homeland Security.**

Response: We do not strongly oppose this recommendation, although we would point out that the Homeland Security Office expenditures budgeted within the Office of the Governor consist of only two PINs and associated general operating expenses. As an alternative, we would

propose tracking these expenses via a separate cost center and providing legislative staff with this and any other sub-program level information that might be requested.

**2. Reduce funds to reflect turnover (\$30,000 GF).**

Response: We oppose this recommendation. While we have carried several vacancies within our staffing complement since taking office one year ago, we anticipate reaching our full complement before the end of the current fiscal year. At that point, any vacancies that may occur would be quickly filled. Historically, the Office of the Governor has not included a turnover adjustment in its budget.

**3. Delete one information technology (IT) position (\$88,774 GF).**

Response: We strongly oppose this recommendation. The Office's IT section is currently comprised of six individuals, including the Chief Information Officer, a web design specialist and four network staff. These four staff currently support two networks serving 250 Executive Department users in eleven separate locations in Annapolis, Baltimore and Washington. A very small portion of their workload is devoted to development; most major development projects are budgeted and staffed in the user agencies (e.g., the State Ethics Commission's on-line filing project). The vast majority of their efforts are devoted to maintaining the existing networks, addressing user problems and updating hardware and software. To reduce the staffing level of this unit to three would leave the IT section totally unable to respond to any but the pressing issues. As an example, a critical function and daily responsibility of the four network staff is the virus detection and mitigation efforts that protect the Executive Department network users on a 24/7 basis.

We would like to also point out that the incumbent of the specific position identified for reduction is one of the detailed personnel that we have identified and committed to bring on board within our office's authorized PIN complement, thus further reducing our dependence upon detailed staff.

Once again, thank you for the opportunity to present our budget. I would be happy to respond to any questions that the committee may have.